

LNP Costs for Oneida Telephone Exchange, Inc.

Scenario 1: Monthly Cost With Transport and Transit

	<u>Start-Up</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Reported Cost	\$ 52,587	\$ 9,531	\$ 10,261	\$ 11,048	\$ 11,836	\$ 12,624

Adjustments:

Legal Fees	\$20,000					
Employee Education	\$10,165					
Customer Education	\$218	\$410	\$405	\$401	\$397	\$392
Total Adjustments	\$30,383	\$410	\$405	\$401	\$397	\$392

Adjusted Cost	\$22,204	\$9,121	\$9,856	\$10,647	\$11,439	\$12,232
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PV Factors	100.0000%	89.8876%	80.7978%	72.6272%	65.2829%	58.6812%
PV Cost	\$22,204	\$ 8,199	\$ 7,963	\$ 7,733	\$ 7,468	\$ 7,178
PV Demand		491	437	388	345	307

Cost/Subscriber/Month

Total
\$107,887

\$ 60,744
1,968

\$ 30.87
\$ 2.57